Indian Health Board Testimony Catherine S. Harris CFO Reno Heart Physicians

Thursday, September 30, 2010

Thank you for the opportunity to speak to you today. I am here on behalf of Reno Heart Physicians, a 21 physician Cardiology practice that provides services in Reno, Sparks, Carson City and rural areas from Minden to Elko.

Community based healthcare professionals like Reno Heart Physicians provide a very valuable service to those in our community who are in need of cardiology services. Not only are our physicians board certified in their specialty, but being community based allows them to respond in a more timely, efficient manner to the needs of patients within our community. This ensures continuity of care and is also convenient for patients.

Indian Health Services beneficiaries are among community members who benefit from our quality cardiology care. They are also the beneficiaries of discounted rates that are reflective of our practices commitment to provide excellence as well as affordability to our community.

Sadly, more and more local providers are not, however, able to continue providing care to Indian Health Service patient because they are unable to cover their costs of providing care. As our population continues to age and live longer, the strain to provide coverage and service to our community becomes like an elastic band that is stretched so tight that it is about to break.

The responsibility to continue to provide quality medical care to those who need it at an affordable rate is the responsibility of every citizen in our community. As providers, we are constantly evaluating our expenses and quality outcomes and making adjustments wherever necessary. We continuously strive to refine our processes in order to more expeditiously serve our population.

It is our position that there are a number of deficiencies within the Indian Health System that significantly contribute to the increase cost of care that our community providers are experiencing that have not received the same level of review and refinement. It is imperative that this take place in order for the safety net to remain in tact as the population ages and we are called upon to continue to provide care. The systems fiduciary responsibilities to their beneficiaries and providers as

well as its internal claims processing practices need to be refined and improved upon.

Since the last meeting with I H S about six months ago the Authorization Department at Reno Heart Physicians requests for pacemaker checks are being approved without any denials with few exceptions. However, we are experiencing communication issues with I HS clerical staff. We can leave multiple messages and we don't get any correspondence back. We would like to see the communication between our business office and I H S be more consistent and timely, to make sure the care of the patient is not disrupted. Reno Heart Physicians believes that there should be a specified timeframe within which all patient related requests are responded to and that this should be no more than 24 hours.

Distribution of funds has been irresponsible at best. Not only are the rates nominal, but the delay in getting paid is unacceptable. Reno heart Physicians continues to carry over \$18,000 in unpaid claims for I H S patients that date as far back as September 12th, 2007 through 2009. This does not include any unpaid claims in 2010.

Of specific interest to us is the lack of consistency between case workers. It is apparent that once the claim is received by the contract health unit, no one can predict what will happen to it next, much less when it will be processed and paid. One specific individual case worker is responsible for the "old" accounts. Another specific case worker (who processes claims efficiently) is notorious for not returning messages, particularly from our authorizations department. Reno Heart Physicians believe that there should be a consistent, measurable, monitored process that these case workers are not only held to, but evaluated based upon. Giving them a stake in the outcomes, would make them more of a partner with providers of care and therefore improve the communication and response times.

There are also inconsistencies between the FI and I H S. Of particular interest to Reno Heart Physicians is the FI in New Mexico, Blue Cross. As providers, we are supposed to be able to get updates from IHS with regards to eligibility and other coverage, however we are not able to get that information and when we do it is not current. For example, we will get information on a patient who has Hometown Health Plan coverage as well as I H S; we will get a response from New Mexico that they have received the patients' explanation of benefits from Hometown Health Plan and are waiting for an explanation of benefits from Blue Cross; we will initiate researching the specific patient with Blue Cross we find that their coverage terminated 3 years ago. I H S and the FI in New Mexico are either not communicating and/or are working on disparate data systems.

Having to go through this lengthy process of calling the FI, then calling Blue Cross then contacting I H S to tell them that they are reflecting the same information as the FI cost us hundreds of dollars every case. Indian Health Services then has to call the FI in New Mexico and request that they update their system so that our claim can be processed. These two entities need to communicate consistently and have the same information in their systems for every single I H S beneficiary.

The distribution of funds has been unpredictable at best. It appears that every year when funding is received, a significant portion of those funds are used to "clean up" old accounts receivable. This creates a situation where the system is constantly in arrears – robbing Peter to pay Paul if you would. Perhaps if the data was accurate and consistent, then not only would the provider's cash flow be more stable and predictable, but I H S would have a better grasp on what their funding needed to be from one year to the next.

Reno Heart Physicians is dedicated to providing quality affordable care in our community. We are prepared to do whatever we can to improve the communication and or processes of I H S in order to make this possible. To do otherwise would be irresponsible. However, we are not in this alone. We need your help and commitment to making this process more efficient and productive so that our patients can continue to receive excellent cardiology care where they live.

Thanks again for your time today. Reno Heart Physicians is looking forward to partnering with you in improving the provision of cardiology care to our community at large, and more specifically to I H S beneficiaries.

Thanks again!